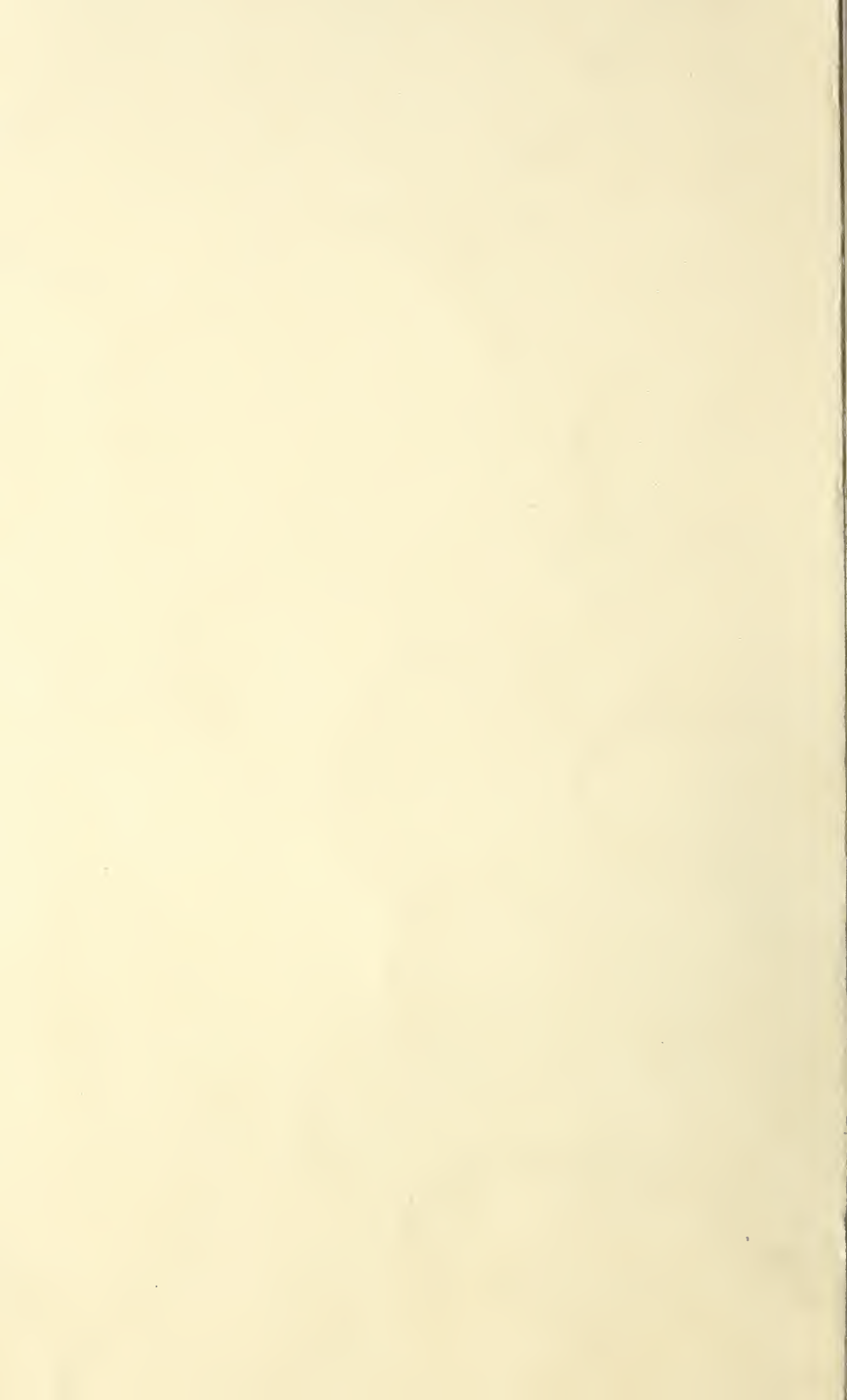


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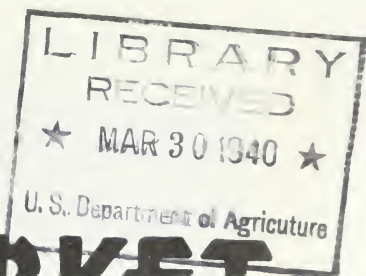


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Is the

PUBLIC MARKET

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IS THE PUBLIC MARKET A GOOD CIVIC INVESTMENT?

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Has the public retail market any economic advantages? Can towns that have never had one profitably establish such a market? Can unsuccessful public markets be revived profitably?

No simple answer, yes or no, can be given to these questions for any specific town or city until someone or some group has carefully studied certain pertinent facts. A public retail market is not a sound proposition for every town, but it is advantageous for some towns. It all depends upon certain conditions, and these can be ascertained definitely only by an impartial survey and by interviews with citizens who represent all the distinct groups of the town.

The term "public market" usually means that the market has some kind of city or public support. The extent of this civic support varies: (1) The town may own a building fully equipped with stands entirely owned and managed by the town, with free use by farmers; (2) it may own the building and equipment and rent the stands to farmers and perhaps to dealers; (3) it may own the building and lease it to a market company, which then leases the stands; (4) it may merely permit the free use of a curb site by farmers and perhaps by dealers. There are still other arrangements, but in practically all of them the town has a part and farmers have a part, except that sometimes a nonprofit organization like a county farm bureau may contribute management or rent.

There are several types of public retail market places. Towns that are contemplating a new market usually have one of two simple types in mind: An open curb market or one with mere shelter for the handling of farm produce and related commodities only (figs. 1 and 2), or a simple market building. The original cost of an open-air or curb market can be negligible or can be relatively large according to the type chosen (fig. 3). The cost of a market in which meats can also be sold is necessarily considerable (fig. 4). Sanitation demands that improved refrigerator show cases be used for meats and that the surroundings and equipment be such that they can be readily cleaned. This question of type of market should be kept in mind throughout the survey and the inquiry should

**Not Every
Town Needs
a Market**

**Extent of
Public Sup-
port Varies**

**Type of
Market
to be
Considered**



FIGURE 1.—An open curb market.



FIGURE 2.—A curb market with an inexpensive shelter.



FIGURE 3.—Permanent shelter and considerable space provided for an open market.

be planned so that the results will indicate which type should be established.

Any town or group that is considering a public retail market should first determine these facts by impartial survey: (1) Whether the community is large enough to support a market, (2) whether the stores or stands already doing business in or near the town are or are not able to handle the food supply adequately, (3) how a market would fit into the existing plan of food distribution, (4) what type of market would be best, (5) whether prevailing consumer habits

**Survey a
Necessary
Preliminary**



FIGURE 4.—A small market building in which suitable stands can be erected for the selling of meats.

would make the success of a new market probable, and (6) the attitude of farmers toward the proposal, their need for a market, and the possibility of providing a regular and satisfactory supply of products to the market.

As a general rule a town cannot support a public market successfully unless it has a population of 10,000 or more. This is likely to be true even of an open curb market, when success year after year is considered. There are exceptions especially in communities in which the market has the support of a permanent organization like a woman's club or a housewives' league. This consideration of size of population would in itself have prevented the establishment of many public markets that were doomed to failure from the beginning through inadequate support. In other instances the question of size of population would have postponed attempts to support a market until the town had grown up to the enterprise. It is only in comparatively recent years, since the fuller development of other agencies, that size of town has been so important.

Ten Thousand Population Usually Needed

The existing stores and nearby roadside stands must be considered. Taken together, are they carrying stock that is adequate in quantity, variety, and quality? Are their prices reasonable, all things considered? Are they giving satisfaction? Are their managers open to suggestions for improvement if there are inadequacies now? Is their lay-out such that improvements are possible? If improvements are not forthcoming, will enough buyers be willing to spend more time and effort to reach a market that will give the desired conditions? These are the questions that must be answered regarding the adequacy of the present food agencies. Then a list of the grocery stores, markets, and neighboring roadside stands that seem to be fairly permanent, with accurate descriptive notes and a plat showing their accessibility to the various groups of the population, will give a fair picture of the existing external conditions. Any new market must fit definitely into the local scheme of food distribution. It is likely to find its chief use as a supplementary food distributor in a locality in which the existing agencies, taken together, are not adequate.

Existing Stores and Stands May Suffice

For to be successful, a public market must have definite, substantial, economic justification. Public pride in a market or the enthusiasm of a few citizens is not enough. The people must actually buy there, week in and week out. Good intentions cannot take the place of trade. Moreover, trade that is based on sentiment alone, or on a sense of civic duty, is not likely to continue. The market must render a definite service to the community, either by offering better or fresher produce, or by offering produce at a more satisfactory price or in a more satisfactory way, than do other agencies with which it must compete.

Buying habits of the local consumers are an important factor. They must be studied to ascertain certain facts: (1) Whether food purchases are made chiefly on credit or for cash, (2) to what extent delivery is demanded, (3) to what extent the residents are willing to take home their own purchases, on foot, on streetcar or bus, or in the family car, (4) whether the housekeepers or the family buyers consider time and convenience as worth more than small savings and possible greater freshness of product, (5) whether those who expect to buy at the new market are leaders among various groups in the community so that their expenditures are likely to be considerable and their influence likely to bring other purchasers, (6) whether, if the interest is limited chiefly to those of small incomes, the numbers of this group are large enough to insure sufficient trade.

Consumer Habits Play a Part

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Consumer attitudes may seem trivial, but they frequently play an important part in the success or failure of a market. Mere habit controls the buying for the family more than is generally suspected. In one capital city in the South, a few years ago, a new municipal market, built at considerable expense and opened with civic enthusiasm, was not successful. Merchants claimed it was because the housewives were unwilling to carry market baskets. City officials thought the fault lay in the fact that the new building was not on the old market site nor on one of the main streets. In either case, the attitudes and habits of the prospective customers had not been studied closely enough. Especially if there has never been a retail public market in the city, a new market must offer material inducements. Otherwise the purchasers will not change their regular habits of buying, or go a distance for what they want, even though they may have thought they would.

Conditions are seldom stable. Everyone has seen or heard of a successful marketing method becoming obsolete as a newer and perhaps more convenient system has come to the fore.

Changing Conditions to be Noted Changing conditions are worth special consideration. If housewives have had some satisfactory experience with a market in any other community, they may wish especially for one now and in fact are likely to come readily to a new market. But variety and freshness of farm produce and direct contact with farmers may have formed the chief attraction at that time. So those making the survey must remember that now nearby roadside markets may go far toward satisfying this demand, and there are now other competing developments, like motortruck peddling direct from the farms, chain stores, improved independent stores, and the so-called supermarkets, which are really superstores for selling foods.

Farmers' support is essential. The survey must not fail to bring out (1) the attitude of the surrounding farmers toward the proposal,

Support of Farmers Essential to Success

(2) whether they need this outlet, and (3) the quantity and regularity of supplies that they will bring to it. Local chambers of commerce and civic improvement associations now usually keep in touch with local farm conditions, and realize as never before how essential it is to understand and analyze existing farm conditions before going forward with plans to establish a new public market or to reorganize or rejuvenate an old market. Lack of this realization has been the cause of many former failures among public markets.

Sometimes the farmers within hauling distance of a town actually do not have enough produce to supply a new market in addition to their other outlets. A progressive city in the Middlewest, for instance, soon found that its small and attractive municipal market, opened with enthusiasm among the townspeople, was not a success because there were not enough growers in the neighborhood to offer good supply and adequate variety. Some successful farmers believe they cannot afford to spend time standing on a market. It pays them to devote their time to actual farm work and leave the selling to those who specialize in it. Other farmers find that their preference for direct marketing can be met by developing a roadside stand where some other member of the family may do the selling, or they prefer to sell from door to door.

Specific statements are necessary regarding the actual number of farmers who expect to come regularly to the market, the volume and kind of produce each expects to bring, and the quantity and variety that will thus be offered by the group as a whole. As these statements represent opinions only, they are to be weighed with caution. The results of this part of the survey are to be carefully compared with the results of the survey of prospective customers.

Once the civic group or the town officials who have the matter in charge are sure that both citizens and neighboring farmers will support a retail public market the town must (1) find a good location for the market, (2) make sure that the investment will be reasonably sound and that only sound business methods will be used in the management, (3) provide the right kind of ordinance or regulations and see that the enforcement is adequate, and (4) make sure that prices are reasonable.

Location has been the final factor in success or failure in many instances. First, it is important to study the grouping of the city's population—the chief residence districts, the racial districts if marked, etc. Then the location of street-railway and bus lines, the location of the chief business zone and of the subordinate business centers, and the parking possibilities, must be considered. A map prepared to show these conditions is helpful. Then the habits and location of the people who are wanted for customers or who seem most inclined to be customers must be observed. It is often difficult to keep the consideration of location on a thoroughly disinterested basis.

Capable and intelligent business management and carefully arranged methods of financing are indispensable to success. Many public markets have failed through lack of these essentials. Experience counts considerably. If experience is lacking, close attention and good judgment must be substituted. If the market is a civic undertaking, a committee of local businessmen may be willing to see that the initial business plans and method of financing are sound. Problems will continue to arise throughout the lifetime of the market, and the later problems often demand close attention on the part of the public and of experienced leaders, if the market is to be successful.

Suggestions for an ordinance to establish, locate, regulate, and maintain a farmers' open public retail market, worked out by the Bureau of Agricultural Economics, are available on request. As this suggested ordinance can be simplified or expanded, it is adaptable to a wide variety of conditions.

Some States are in a position to give advice. Through their State marketing officials or others, such advice can sometimes be fitted to the local conditions, although based on broad principles.

Some States Can Give Advice A city or group that is considering a market would do well to find out whether such first-hand and experienced aid can be obtained from its State bureau of marketing or agricultural college or experiment station. If help cannot be secured for all of the work—making the preliminary local survey, the study of its results, the making of recommendations for action, and developing sound business management—

perhaps advice can be obtained on at least a part of it. The average community will need disinterested and impartial help in the second, third, and fourth phases of the work more than in the first phase.

Benefits and results are rarely spectacular. It is frequently found that both buyers and sellers have been unduly optimistic regarding the benefits to come from a public market. Farmers usually expect higher prices if they sell direct to consumers than if they sell to dealers, and housekeepers hope for lower prices if they buy direct from growers. Within a fairly short time a compromise price can usually be reached, and this compromise price must seem reasonable to both buyers and sellers.

**Successful
Markets
Bring Real
Benefits**

If a public market, established after careful study, is well managed and patronized, it can be expected to render certain definite services: (1) To use prices that reflect to both consumers and producers the saving made possible through free selling space or low rent for stall and equipment, make other possible reductions in overhead expense, and eliminate some handling and transportation costs; (2) to offer customers a larger and fresher assortment of products than the average private establishment offers; (3) to give to local farmers a satisfactory outlet for the miscellaneous products grown by most farmers near towns, thus tending to develop a neighboring food supply; (4) to give customers increased protection in regard to quality, weight, and measure through closer official inspection, in the case of the larger market; and (5) to give to customers who pay cash and who carry home their purchases a dollar's worth of products for every dollar spent.

Characteristics of retail public markets vary considerably, especially with the passing of time. Many markets now allow dealers to have stands in the public retail markets to insure regularity and variety in the supply offered. Some retail markets gradually become practically wholesale markets, in some instances crowding the farmers out entirely. When planning for a new market the preparatory study should aim to show the definite kind needed and its specific purposes.

